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Report of the Secretary-General on the activities of the Office of Internal Oversight Services

Report on the availability in local labour markets of the skills for which international recruitment for the General Service category takes place

Note by the Secretary-General*

1. Pursuant to General Assembly resolutions 48/218 B of 29 July 1994, 54/244 of 23 December 1999 and 58/270 of 23 December 2003, the Secretary-General has the honour to transmit, for the attention of the General Assembly, the attached report, conveyed to him by the Under-Secretary-General for Internal Oversight Services, on the study of the availability in local labour markets of the skills for which international recruitment for the General Service category takes place.

2. The Secretary-General takes note of the findings and concurs with the recommendations.

* Finalization of the report was delayed owing to the need for extensive consultations on changes that may affect the Staff Rules.

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Report of the Office of Internal Oversight Services on the availability in local labour markets of the skills for which international recruitment for the General Service category takes place

Summary

In response to General Assembly resolution 58/270 of 23 December 2003 to conduct "a study on the availability in local labour markets of the skills for which international recruitment for the General Service category now takes place", the Office of Internal Oversight Services (OIOS) assessed the granting of international benefits for staff in the General Service category throughout the Organization, which amounts to an estimated cost of $9.25 million per biennium for 304 staff members. OIOS focused the present study on the Text Processing Section of the Department for General Assembly and Conference Management, which employs the overwhelming majority of General Service staff granted international status.

OIOS found that the current determination regarding the absence of skills in the local labour market at Headquarters is not based on sufficient or up-to-date evidence about the characteristics of the local market. Data analysed by OIOS indicates that the local labour market may have the skills required to fill posts expected to become vacant in the Arabic, Chinese, French, Spanish and Russian Text Processing Units. A definitive determination as to whether the required skills are available, however, should only be made on the basis of examinations for all four categories of skills required of Editorial Clerks/Assistants in addition to a systematic, aggressive outreach effort in the New York labour market. The United Nations Office at Geneva conducted such an outreach campaign and concluded that candidates with sufficient skills were available and, therefore, recruits staff in the General Service category for the Text Processing Units locally. OIOS recommends that a multitude of proactive recruitment strategies be pursued in New York, testing efforts increased and the outcome of the enhanced recruitment effort systematically analysed to reach a definitive determination on the availability of the skills for the Text Processing Units.

OIOS further recommends changes in the basis of recruitment for staff members in the General Service category. Under the current interpretation of the Staff Rules, international benefits are granted to candidates for positions in the Arabic, Chinese, French, Russian and Spanish Text Processing Units even when they are recruited from and live in the local areas, unless they are nationals or permanent residents of the country of the duty station. OIOS specifically recommends that the Organization consider granting international status only to staff in the General Service category who have been recruited from outside the area of the duty station. Further, the Organization should consider specifying that staff members are regarded as locally recruited if they were recruited within the area or country of the duty station as applicable. If the Organization changes the current application of the Staff Rules to allow local recruitment of General Service staff members in the Text Processing Units in New York and given that qualified local candidates can be identified, the total savings achieved by replacing retiring General Service staff currently entitled to international benefits with locally recruited staff would be substantial. OIOS also recommends that efforts and results of local recruiting for

specific vacancies be systematically documented before recruitment from outside the duty station is undertaken.

Since the recommended changes would have an impact on the workload of the Office of Human Resources Management's General Service and Related Categories Staffing Unit, as well as the Examinations and Tests Section, the Organization should ensure that adequate resources for intensifying recruitment and testing activities are available.

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I. Introduction

1. In response to the General Assembly request in its resolution 58/270 of 23 December 2003 to conduct "a study on the availability in local labour markets of the skills for which international recruitment for the General Service category now takes place", OIOS assessed the use of international benefits for staff in the General Service category throughout the Organization. Since 68 per cent of the 304 staff in the General Service category receiving international benefits are working in Text Processing Units of New York and Geneva, OIOS focused the study on personnel with the skills required for employment in these units.[1] OIOS reviewed the current rules governing local recruitment and its consequences. To determine if the required skills are available locally, OIOS reviewed data from the Secretarial Testing Unit, applications for vacancies for Editorial Clerks/Assistants, recruitment data on Editorial Clerks and consulted staffing and translation agencies that specialize in the placement of bilingual staff. OIOS further projected needs as well as potential savings if future staff were to be locally recruited. The present report was reviewed by the Department of Management as well as the Department for General Assembly and Conference Management. They agreed in principle with the recommendations of the report and their comments appear in italics.

2. Owing to the nature of skills in demand by the language units, OIOS believes that the most cost-effective approach to a comprehensive skills assessment of the local market is to integrate the effort with ongoing screening and testing activities undertaken by the Office of Human Resources Management in conjunction with the Department for General Assembly and Conference Management or, alternatively, to launch a special campaign targeting the local labour market. While OIOS is not in a position to carry out the testing required to determine suitability of candidates for employment in the Text Processing Units, information on the local labour market gathered through the means mentioned above is indicative of the availability of skills. Thorough recruitment campaigns — including strategic outreach, testing a significant number of candidates and systematic documentation and analysis of test results — would provide a definitive answer regarding the local availability of skills required in the Text Processing Units.

II. Composition of staff and financial implications

3. The Secretariat currently employs 6,761 staff in the General Service category, 304 of whom receive international benefits.[2] Two thirds of these staff members (207) are language staff working in the Department for General Assembly and Conference Management, New York, and the United Nations Office at Geneva.[3] The remaining 97 staff members in the General Service category receiving international benefits are employed in other departments and offices, some in functions where language requirements seem apparent, others in functions for which the language requirement is not obvious.[4] Of the 304 staff members enjoying international benefits at the eight major duty stations, 273 were recruited before 30 June 1999.

4. The distribution of local and international language staff in the Department for General Assembly and Conference Management and the United Nations Office at Geneva according to their respective language units is reflected in table 1 below.

Table 1
General Service staff in language units at New York and Geneva with/without international status as of March 2004

	New York		*Geneva*		*Total*	
	International status	*Local status*	*International status*	*Local status*	*International status*	*Local status*
Arabic	30	5	10	1	40	6
Chinese	33	6	9	1	42	7
English		30	7	6	7	36
French	32	3	2	23	34	26
Russian	31	3	16	10	47	13
Spanish	27	8	10	7	37	15
Total	**153**	**55**	**54**	**48**	**207**	**103**

Source: IMIS.

5. The annual cost of providing international benefits to the 304 staff members in the General Service and related categories is estimated at $4.6 million.[5]

III. Rules governing international benefits for General Service staff and their consequences

6. Staff rules 104.6 and 104.7 govern local and international recruitment of staff in the General Service category. International allowances and benefits include:

- Payment of travel expenses upon appointment and separation
- Shipment of household effects
- Non-resident's allowance or rental subsidy
- Home leave
- Education grant
- Repatriation grant

7. The conditions governing local recruitment for staff in the General Service category at Headquarters are contained in Appendix B to the Staff Rules. Paragraph (i) of those provisions sets out that staff members shall be regarded as having been locally recruited unless:

> "*a*. They have been recruited from outside the area of the duty station;
>
> "*b*. Their entitlement to one or more of the allowances or benefits indicated under rule 104.7 has been duly established by the Secretary-General; or
>
> "*c*. The post for which the staff member has been recruited is one which, in the opinion of the Secretary-General, it would otherwise have been necessary to fill by recruitment from outside the area of the duty station."

8. The determination that recruitment from outside the area of the duty station is necessary to staff the Text Processing Units (except English) was explained in 1975 by the then Assistant Secretary-General of Personnel Services.[6] Drawing on results from tests given by the Recruitment Division in the 1960s and early 1970s, it was determined that, in addition to the French, Russian and Arabic Typing Units, the language skills required for Chinese Calligraphy and Spanish Typing Units were not readily available in the New York local labour market. Since then, the practice of granting international benefits to local recruits was adopted to fill established posts other than English in the Text Processing Section at New York Headquarters.

Current interpretations and application of the Staff Rules

9. The application of international status to locally recruited General Service staff is also based on the following policy of equal treatment of staff: "In order to afford equal conditions of employment, when international recruitment was authorized for a particular language pool, international benefits were accorded to all the posts in that pool, whether or not the individual was actually recruited away from the duty station, provided the staff member was not a national or permanent resident of the country of the duty station."[7] This interpretation means that unless the local labour market offered enough resources to fully staff specific language pools, all local recruits (except nationals or permanent residents) would be offered international benefits, regardless of the number of qualified personnel in the local market.[8]

10. Following this practice in accordance with subparagraph (i) c of the conditions governing local recruitment in Appendix B to the Staff Rules quoted above, international status has been provided to all staff members (except nationals or permanent residents) recruited for the Text Processing Units (except English) at Headquarters. This applies also to candidates who were recruited locally in New York and did not require any recruitment travel upon appointment, which would indicate that they were already living at the duty station at the time of recruitment, but were not nationals of the United States or permanent residents.[9]

Limits of the current practice

11. To grant international status by default to staff members in the General Service category solely by reference to the staff member's post, does not, in the opinion of OIOS, constitute a cost-effective approach to securing staff, given that they had already moved to or lived in the area of the duty station and may have been willing to accept an appointment without receiving international status. However, further analysis of average salaries paid by outside employers for jobs comparable to those of Editorial Clerks/Assistants at the Organization may be required to determine whether the granting of international benefits constitutes an integral element of a competitive compensation and benefits package necessary to attract candidates locally.

12. OIOS believes that the current practice, based on an almost 30-year-old explanation regarding the availability of certain skills in the local labour market, prevents the Secretary-General from recruiting staff locally for the Text Processing Units, even though they may be available. If the local labour market does not

produce enough candidates to fulfil Text Processing Unit staffing needs in the immediate or near future, or available candidates would not accept local recruitment, only then should the Organization undertake international recruitment campaigns that result in the application of international benefits to General Service staff recruited outside the area of the duty station, as provided by subparagraph (i) *a* of the conditions governing local recruitment in Appendix B to the Staff Rules.[10]

Alternatives to the current practice

13. Changing the current practice, which allows locally recruited staff members to serve in General Service posts with international benefits, requires intergovernmental bodies to revise the conditions governing local recruitment. OIOS believes that the rules for recruitment of General Service staff should allow the Organization to grant international status only to those candidates recruited outside the area of the duty station. Further, campaigns outside the duty station should only be held after the Office of Human Resources Management has sufficiently documented that the local market cannot satisfy specific staffing needs. Based on such a documented need for international recruitment campaigns, staff members recruited outside the country or area of the duty station would, in application of subparagraph (i) *a* of the conditions governing local recruitment in Appendix B to the Staff Rules, receive international benefits. Under the OIOS proposal, candidates from the area of the duty station would need to be duly informed that they would have the status of local recruits, if selected, following application at Headquarters. A phased approach towards introducing the opportunity to recruit locally for the Text Processing Section should be considered given the varying degrees of difficulty to recruit for the Arabic, Chinese, French, Russian and Spanish Units.

14. The changes suggested by OIOS would also guarantee equal conditions of employment since all staff members recruited at the area of the duty station would be regarded as having been locally recruited. Neither changes in a determination of the availability of skills in the local labour market for a particular post nor nationality or residency status would influence the local status of staff members recruited at the area of the duty station. This would also not result in unfairness, inequality or inequity between persons that do the same job, in the same unit and with similar qualifications.

Withdrawal of benefits previously granted

15. Historically, international benefits were discontinued when staff who had been internationally recruited for posts that could not be filled through the local labour market moved to posts that did not require international recruitment. A 1991 judgement from the United Nations Administrative Tribunal, rescinding the decision to stop payment of international benefits to a staff member originally recruited from outside the duty station, but subsequently moved to the post of library assistant, overturned this practice.[11] The Tribunal pointed out that there was no statutory authority to terminate international benefits linked to a staff member's international recruitment. Thus far, the Staff Rules do not provide for specific provisions authorizing the discontinuance of international benefits. Furthermore, the Tribunal has held in the same judgement that the question of whether a staff member is entitled to international benefits is determined by the staff member's place of

recruitment and not by the post he or she occupies.[12] To date, the issue remains to be clarified when subparagraph (i) *a* or (i) *c* of the conditions governing local recruitment in Appendix B to the Staff Rules finds appropriate application.

IV. Availability of language skills

Determining the availability of skills in the local labour market

16. Besides the determination in 1975, one additional effort has been undertaken to determine the availability of local personnel meeting the requirements of the language units. In 2000, a Joint Working Group of the Department of General Assembly Affairs and Conference Services/Office of Human Resources Management on the Text Processing Section reviewed data from the surveys of best prevailing conditions of service for New York's General Service and related categories of staff. The Working Group concluded that "the local market cannot meet the entire staffing requirement of the language units (except English)". OIOS was informed that this conclusion was based on the fact that outside comparator institutions in New York do not have jobs comparable with posts in Text Processing Units.

17. OIOS believes that conditions in the local labour market would have changed over the years and, therefore, considers data derived 30 years ago to be obsolete. Furthermore, as explained below, due to methodological constraints, the 2000 New York General Service salary survey did not definitively determine that the staffing requirements of the language units cannot be met by the local market. First, usable data was received from only 22 employers in the New York area, while other regions where the required skills may exist, such as Washington, D.C., were, following the International Civil Service Commission methodology, not taken into account. Second, the selection of the outside comparator institutions based on the Commission's methodology did not cover organizations/companies that require the same skills as the Text Processing Section at Headquarters. Given the uniqueness of posts at the United Nations, it is to be expected that one would not find jobs at most banks and municipal agencies that would be exact matches for posts in the Text Processing Section. Surveying organizations/companies, such as European, Middle Eastern and Asian banks with offices in New York, that require these specific skills — high-level grammar and writing skills and computer literacy, etc. — may have led the working group to a different conclusion. Finally, OIOS believes that, even if outside comparator institutions did not have jobs comparable to posts in the Text Processing Section, this would not necessarily establish that qualified people are not available in the local market.

18. Editorial assistants have to pass four tests: typing, grammar, verbatim and formatting. Though, on average, 77 per cent of applicants tested in 1999, 2001, 2002 and 2003 successfully passed the verbatim tests, only an average of 30 per cent successfully passed the grammar test (for Arabic, French, Russian and Spanish). Despite the relatively low percentage of candidates passing the grammar tests, it is important to note that a 30 per cent passing rate stands in contrast to the 5 per cent recruitment rate — achieved during the 1974 exercise to recruit Spanish typists in New York — on which the current determination regarding the availability of local skills was made. Furthermore, the majority of the candidates tested in 1999, 2001,

2002 and 2003 participated in the testing on a walk-in basis and were not the result of systematic outreach efforts. OIOS therefore believes that the most recent testing data indicates that the local market demonstrates considerable potential.

19. Furthermore, a number of commercial staffing and translation agencies contacted by OIOS were confident that enough candidates satisfying the job requirements for Editorial Clerks/Assistants are available locally. As indicated above, testing candidates is the only means by which to make a determination as to whether the required skills are, in fact, available. OIOS, therefore, believes that it would be essential for the Office of Human Resources Management to explore further the validity of these perceptions through specific recruitment and testing efforts outlined in paragraphs 24 to 28 below.

Current approaches to the labour market in New York and Geneva

20. The overall approach to the New York local labour market is based on the assumption that potential General Service staff will know that jobs might be available in the Organization. Candidates are screened on a walk-in basis, while vacancies on the GS-5 to GS-7 levels are posted on the jobs.un.org web site. However, few candidates that apply as a result have sufficient skills to fulfil specialized language requirements. As a result, the Office of Human Resources Management has made several proactive attempts to seek candidates qualified for multilingual positions in New York. Local recruiting has included:

(a) Notifying United Nations missions/consulates of specialized vacancies;

(b) Advertising positions in *The New York Times*;

(c) Posting notices at New York University and Columbia University;

(d) Requesting referrals from United Nations staff;

(e) Evaluating candidates referred by a staffing agency.

Though some of these efforts generated interest among a significant number of candidates, most were unable successfully to pass the required language exams and were, therefore, deemed ineligible.

21. Owing to the difficulties of recruiting staff locally, the Office of Human Resources Management conducted a series of ad hoc recruiting campaigns in countries around the world, including the 2000 recruitment campaign for French Editorial Assistants in Montreal. Though these campaigns successfully identified eligible candidates for vacancies in New York, all of them were contracted on international conditions.

22. It is important to note that the number of eligible candidates the Office of Human Resources Management tests for Editorial Clerk/Assistant posts in New York is relatively small. In 1999, 31 candidates were tested in Arabic, French and Spanish; in 2003, only 29 were tested in the same three languages, plus Russian. The Office was not able to identify any eligible candidates to take the Chinese language tests in either year. Given the size of bilingual populations in New York and, by comparison, the small number of eligible candidates the Office tests locally, OIOS believes that more aggressive recruiting and testing at the local level will yield better results.

23. Since the mid-1990s the United Nations Office at Geneva has recruited all new Text Processing Unit staff locally. Following a series of announcements in the local Swiss and French press, the Office received hundreds of applications and, as a result, concluded that candidates with sufficient language skills were available in and around Geneva. In fact, the pool of applicants that the Office developed included highly skilled temporary staff that were established in Geneva and had, for many years, been freelancing at a range of international organizations. Based on such recruitment success, the Office concluded that the regional labour market offers sufficient language and other relevant skills; it, therefore, reverted to the principle of recruiting General Service staff only on a local basis.

Alternative approaches to the labour market

24. OIOS acknowledges the efforts of the Office of Human Resources Management to identify qualified candidates in New York, but strongly recommends that a multitude of strategic recruiting methods be employed in the future. Furthermore, the target area of recruitment should not be restricted to New York, but include other locations that may offer potential candidates, such as Washington, D.C. This may require that intergovernmental bodies specify that the area of the duty station also includes the country of the duty station, as appropriate.

25. In the following paragraphs, a number of potential recruitment channels are outlined. Such recruitment sources should be tapped not only by the Office of Human Resources Management, but also by managers in the Department for General Assembly and Conference Management responsible for units in immediate or future need of staff. OIOS believes such channels should be exhausted before the determination is made that posts in the Arabic, Chinese, French, Russian and Spanish Units cannot be filled by recruitment of local staff and/or international recruitment campaigns are requested. Efforts should include:

(a) Advertisements in locally, regionally and nationally circulated Arabic, Chinese, French, Russian and Spanish print and electronic media;

(b) Partnerships with training institutes that specialize in foreign languages;

(c) Partnerships with local foreign language associations;

(d) Partnerships with language departments at universities nationwide;

(e) Advertising through web sites of such institutes and associations, as well as Internet portals with job boards for multilingual candidates;

(f) Proactively publicizing opportunities for spouses of staff members and delegates;

(g) Creating links to the jobs.un.org web site on media and foreign language web sites.

26. Based on intensified recruitment efforts, the ratio of successful candidates vs. total number of applicants should be closely monitored in order to establish baseline data that would allow definitive determination as to whether the local market can meet staffing requirements. Although such recruitment strategies would increase the workload of the Examinations and Tests Section of the Office of Human Resources Management, as well as the General Service and Related Categories Staffing Units,

OIOS believes that they entail significantly less cost than international recruitment campaigns and, ultimately, will prevent the long-term costs associated with international benefits and allowances as explained in paragraphs 33 and 34 below.

27. In addition to the above-mentioned approaches, the Organization should consider contracting recruitment agencies on the basis that the agency would only receive a fee for funding qualified candidates who were able to pass the tests administrated by the Office of Human Resources Management. Such an arrangement would provide significant future cost savings as locally recruited staff would gradually replace staff currently receiving international benefits (see figure below).[13]

28. The Organization should also consider establishing a trainee programme. Candidates who are available for local recruitment, but fall short of eligibility requirements owing to lack of experience and/or lack of familiarity with United Nations terminology rather than proficiency in a language, could be recruited on training contracts. After their expiration, trainees could be converted to regular fixed-term contracts provided they passed the specialized tests administered by the Office of Human Resources Management. Given the savings achieved by avoiding international allowances when regularizing, the cost of training posts could be absorbed in two years. Alternatively, these same "trainee" candidates could be hired on short-term contracts to fulfil immediate hiring needs when the General Assembly is in session (similar to those currently offered to retirees, but at a lower cost). This option would fulfil immediate organizational needs while enhancing the pool of local candidates eligible for future vacancies.

Cost of testing staff locally and internationally

29. The Examinations and Tests Section administered 2,159 tests for General Service positions in New York in 2002. The total cost for the biennium 2004-2005 is calculated at $123,580 based on 2002 activity. Therefore, the estimated cost per test administered was approximately $29.

30. In 2003, 173 tests were administered to 58 applicants for Editorial Assistants, resulting in 21 candidates passing all tests. At $29 per test, the cost per tested applicant was $87 or $234 spent for each of the 21 candidates who were placed on the roster in 2003. The language distribution of the successful candidates is indicated in table 2 below.

Table 2
Language distribution of successful candidates testing in New York for Editorial Assistant in 2003

Language	*Number of candidates*
Arabic	1
Chinese	0
English	11
French	2
Russian	4
Spanish	3

Source: Office of Human Resources Management Examinations and Tests Section.

31. As a result of an international recruiting campaign held in Montreal, 1,200 candidates applied. Of the 142 tested, 33 passed all tests and 11 were subsequently recruited; the remaining 22 are no longer listed on the roster. The total cost of testing was $48,082 or, approximately, $339 per tested candidate, $1,457 per qualified candidate or $4,300 for each of the 11 selected candidates.

32. It is important to note a testing cost of $4,300 per recruited candidate is approximately the cost of administering 140 language tests at Headquarters. If only one of 20 potential local candidates, each taking seven tests at Headquarters, is deemed to be eligible (a success rate of around 5 per cent), the local market would sustain the needs of the Organization at the same recruitment cost as international recruitment campaigns and, moreover, would allow recruitment without granting of international benefits.

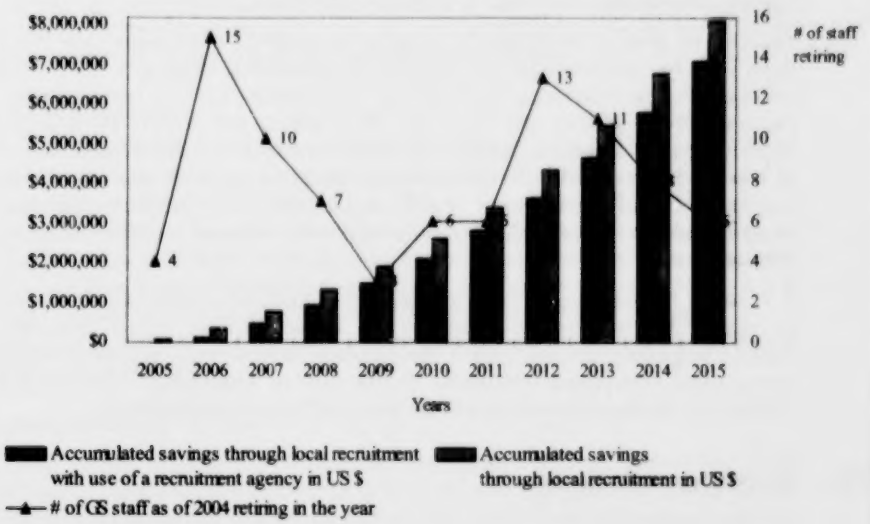
V. Projections of future needs and potential savings

33. Some 89 General Service staff members in the Text Processing Units in New York, currently entitled to international benefits, will have retired by 2015.[14] If these staff members are replaced completely by locally recruited staff, the total savings would amount to approximately $8.1 million over the next 10 years. This amount includes savings achieved by replacing retiring staff members who hold entitlement to international benefits with locally recruited staff each year from 2005 to 2015, as well as total accumulated savings for each staff member to be replaced beginning in 2005 and subsequent annual savings. This projection is based on the assumption that all posts in the Arabic, Chinese, French, Russian and Spanish Text Processing Units would be filled locally starting in 2005, which is contingent on the local availability of qualified candidates at the time when currently employed staff retire. Annual savings would be considerably smaller if local recruitment efforts proved to be futile and even a small number of staff had to be recruited through an international campaign, which besides being expensive (approximately $1,500 minimum per qualified candidate), would entitle them to international benefits for the duration of their employment.

34. As outlined in paragraph 27, the Organization could consider contracting a recruitment agency to develop a sufficient supply of locally recruited staff with the

necessary skills for the Text Processing Units. The figure below shows the total accumulated savings expected to occur if identification of local staff to be tested by the Office of Human Resources Management was to be outsourced. These savings would be reduced by the recruitment agency's identification fee, but would still amount to approximately $7.1 million by 2015.[15]

Projected savings for local recruitment of staff in the General Service category of Text Processing Units in New York currently receiving international benefits, 2005-2015[a]



Source: IMIS, Department for General Assembly and Conference Management data on common staff costs and OIOS calculations of estimated identification fees.

[a] Arabic, Chinese, French, Russian and Spanish Text Processing Units only.

VI. Conclusions

35. OIOS believes that the current determination regarding the absence of skills in the local labour market is not based on sufficient and up-to-date evidence about the characteristics of the local market. OIOS recommends, therefore, that: (a) the Office of Human Resources Management and the Department for General Assembly and Conference Management intensify their efforts to identify and recruit qualified local applicants to the Text Processing Unit posts currently allocated international benefits, (b) systematically document and gauge the outcome of these efforts and, after a defined period of time, (c) re-assess the Organization's position regarding the availability of skills in the local labour market. A number of outreach and recruitment strategies to amplify the Organization's efforts are proposed in the present report.

36. Numerous data points indicate that the local labour market may indeed have the skills required to fill anticipated vacancies in the immediate and near future at New York Headquarters:

(a) Considerable passing rates for grammar and verbatim tests in Arabic, French, Russian and Spanish;

(b) The significant percentage of locally recruited staff members for the Text Processing Units in these languages that appear to live in the New York area prior to appointment;

(c) Information provided by a number of commercial staffing and translation agencies expressing confidence about the availability of skills.

The Organization is challenged by a spike in expected retirements over the next three years (an estimated 36 staff members in the Arabic, Chinese, French, Russian and Spanish Text Processing Units will have reached the average retirement age for General Service staff in the Units by 2008), which will require swift action in identifying new candidates in the local labour market. A definitive determination as to whether the required skills are available should be made on the basis of testing candidates in all four categories of skills required of Editorial Clerks/Assistants at Headquarters, combined with systematic, aggressive outreach to the local market at Headquarters.

37. OIOS further believes that, in general, the Organization should have the ability to regard Editorial Clerks/Assistants in the Arabic, Chinese, French, Spanish and Russian language units recruited at Headquarters in New York, as locally recruited. International recruitment campaigns should only be undertaken once the lack of resources in the local labour market has been sufficiently documented.

VII. Recommendations

Recommendation 1

38. **The Organization should consider changing the basis of recruitment for staff members in the General Service category to grant international status only to those recruited from outside the area of the duty station. Should the basis for granting international benefits be modified, candidates should be duly informed that they would have the status of local recruits if selected at Headquarters** (paras. 11-14) (MC-04-002-01).* *The Office of Human Resources Management agreed with the recommendation subject to the contents of guidance to be provided by the General Assembly, and to respect for acquired rights of staff.*

Recommendation 2

39. **The Organization should consider requiring systematic documentation to determine whether the local labour market contains the skills required for a specific number of anticipated vacancies over a specific number of years before recruitment from outside the duty station is undertaken. Such documentation should include a thorough description of efforts and results of recruiting**

* The symbols in parentheses in this section refer to an internal code used by OIOS for recording recommendations.

locally, in addition to analysis of testing data (para. 13) (MC-04-002-02). *The Office of Human Resources Management agreed with the recommendation.*

Recommendation 3

40. **The Organization should consider specifying that staff members be regarded as locally recruited if they have been recruited within the vicinity or country of the duty station as applicable. For duty stations that are located close to international borders, the area of the duty station should be established as appropriate, whereas in other instances, such as New York Headquarters, the country of the duty station should determine the area of local recruitment** (para. 13) (MC-04-002-03). *The Office of Human Resources Management agreed with the recommendation subject to the contents of guidance to be provided by the General Assembly, and to respect for acquired rights of staff.*

Recommendation 4

41. **The Organization should consider amending Appendix B to the Staff Rules to clarify that payment of international benefits is subject to the determination that a particular post has been filled by international recruitment and/or cannot be filled through local recruitment and that, further, to consider the feasibility of discontinuing such payment if the staff member moves to a post that can be filled locally** (para. 15) (MC-04-002-04). *The Office of Human Resources Management agreed with the recommendation subject to the contents of guidance to be provided by the General Assembly, and to respect for acquired rights of staff.*

Recommendation 5

42. **The Office of Human Resources Management, with the cooperation of the Department for General Assembly and Conference Management, should pursue a multitude of proactive recruitment strategies to fill posts in the Headquarters Text Processing Units. Strategies should include advertising in nationally circulated foreign language newspapers and other media, partnerships with academic or educational institutions, posting links on relevant web sites, and contracting recruitment agencies to identify qualified candidates on a local basis** (paras. 24-27) (MC-04-002-05). *The Office of Human Resources Management agreed with the recommendation subject to "provision of additional resources for the interim period during which international benefits would continue to be paid to current staff and there would be no immediate savings to finance the additional activities required to ensure that as many local recruitments as possible are made in future. The Office would require additional resources for the extra testing envisaged, targeted advertising and networking with academic and educational institutions."*

Recommendation 6

43. **The Office of Human Resources Management should systematically document the outcome of enhanced recruitment efforts for the Text Processing Units at Headquarters, tracking the number of applicants, the number of tests, the number of successful candidates as well as the ratio of applicants vs. successful candidates for each language** (para. 26) (MC-04-002-06). *The Office of*

Human Resources Management agreed with the recommendation subject to the provision of additional resources as outlined in paragraph 42.

Recommendation 7

44. **The Office of Human Resources Management should ensure that the General Service and Related Categories Staffing Unit, as well as the Examinations and Tests Section, have adequate resources for intensifying recruitment and testing activities** (para. 26) (MC-04-002-07). *The Office of Human Resources Management agreed with the recommendation subject to the provision of additional resources as outlined in paragraph 42.*

Recommendation 8

45. **The Department for General Assembly and Conference Management should consider creating a trainee programme and short-term contract opportunities to develop a pool of eligible local candidates, particularly in New York** (para. 28) (MC-04-002-08). *The Department for General Assembly and Conference Management endorsed in principle the recommendation.*

(*Signed*) Dileep **Nair**
Under-Secretary-General for Internal Oversight Services

Notes

[1] Staff members for the Text Processing Units at the United Nations Office at Geneva have been recruited since the mid-1990s exclusively on a local basis. See paragraph 23 for details.

[2] Calculations are based on Integrated Management Information System (IMIS) data extracted by the Office of Human Resources Management. Entitlement to international benefits is indicated when the length of the entitlement exceeds one year and the entitlement has been active at some point between 30 June 2003 and 15 March 2004. The analysis focuses on the eight major duty stations (Addis Ababa, Bangkok, Beirut, Geneva, Nairobi, New York, Santiago and Vienna).

[3] Language staff covers for the purpose of the present study the following functional titles: Word Processor, Text Processing Clerk, Text Processing Assistant, Supervisor, Secretary, Editorial Clerk, Editorial Assistant and Chief of Unit.

[4] The functional distribution of the 97 General Service staff members receiving international benefit includes: Administrative Assistant, Computer Information System Assistant, Editor, Editorial Assistant, Language Reference Assistant, Programme Assistant, Secretary and Text Processing Clerk.

[5] The calculation is based on an estimate of the additional common staff cost made by the Department for General Assembly and Conference Management. The average additional common staff cost of international recruitment was estimated at $1,268.50 per month.

[6] See memorandum from Mohamed Habib Gherab, Assistant Secretary-General for Personnel Services to the Secretary-General of 12 May 1975: "International recruitment of staff members serving with the Chinese Calligraphy Unit and the Spanish Typing Unit".

[7] See letter from Richard Nottidge, Deputy Director, Recruitment and Placement Division, Office of Human Resources Management, dated 14 November 1991 quoting Diana Boernstein, Chief, Rules and Personnel Manual Section, Office of Human Resources Management.

[8] See, for example, para. 36 of the report entitled "Joint DGAACS/OHRM Working Group on the Text Processing Section, IMPD/DGAACS" of 17 October 2000.

[9] OIOS analysis has shown that between 33 per cent and 100 per cent of Editorial Clerks recruited between 2000 and 2003 for the Arabic, Russian and Spanish Text Processing Units were recruited in New York and without recruitment travel upon appointment. Staff for the French Text Processing Unit were primarily recruited through a recruitment campaign in Montreal, Canada. No recruitment for the Chinese Text Processing Unit occurred during the time period. Furthermore, the majority of applicants to tests required for Editorial Clerks/Assistants provided local addresses in their application forms.

[10] Such a recruitment campaign is, for example, planned for Arabic Editorial Clerks.

[11] See United Nations Administrative Tribunal judgement No. 508 (1991): *Rosetti*.

[12] Ibid., para. XIV.

[13] Fees charged by professional recruitment agencies range from 20 to 30 per cent of the successful candidate's first annual salary.

[14] The projection of retirements is based on IMIS data or on the average retirement age for General Service staff in the Text Processing Units calculated at 60.2 years.

[15] The anticipated identification fee of $11,459 is calculated as 25 per cent of the average annual gross salary of staff at the G-4 to G-6, step 1, levels of $45,837; see Appendix B to the Staff Rules (ST/SGB/2002/1).